

May 29, 2012

PRIMARY TELEVISION AFFILIATION AGREEMENT

Mr. Barry Faber  
EVP, General Counsel  
Sinclair Broadcast Group, Inc.  
10706 Beaver Dam Road  
Hunt Valley, MD 21030

TELEVISION STATION: WLOS-TV/DT Asheville, NC

The following shall constitute the agreement (the "Agreement") between American Broadcasting Companies, Inc. ("ABC," "Network," "us" or "we") and Sinclair Communications, LLC ("you" or "your"), for program carriage and promotion on Channel Number 13.1 of your station, WLOS, channel number 13.1, Asheville, NC. (The terms "Station" or "WLOS-TV" as used herein refer to WLOS-TV and is WLOS-TV's "Primary Channel.") We and you hereby mutually agree upon the following plan of Network cooperation. This Agreement shall supersede and completely replace the Term Sheet Affiliation Agreement between you and us executed on March 25, 2010. Except as may be provided herein, any other agreements or amendments between you and us, including but not limited to N/AP III, have also terminated.

**I. NETWORK AFFILIATION AND PROGRAM SERVICE**

**A. Primary Affiliation.** Your Station agrees to serve as our primary affiliate to broadcast Network Television Programs, as hereinafter defined, in the community to which Station is licensed by the Federal Communications Commission ("FCC"), subject to the conditions and limitations set forth herein. This Agreement grants you a license to broadcast ABC's copyrighted Network Television Programs within your community of license and to use ABC's trade names and trademarks, subject to the conditions and limitations set forth herein. As used in this Agreement, "Network Television Program" means the complete television program or series of such programs which is a part of the ABC Television Network schedule to be broadcast on a national television basis in the time period designated for such broadcast in the Station's time zone by ABC, subject to any time period adjustments contained herein. (Network Television Program will also be referred to herein as "Network Programs," "Television Programs," "Programs" or "Programming" or in the singular of such terms.)

**B. First Call Rights.** To enable your Station to serve as our primary affiliate, we agree to offer your Station first call on the right to broadcast Network Television Programs on Station's Primary Channel, and only that channel, against all other television broadcast stations licensed in the community to which Station is licensed by the FCC, during the relevant time period established by ABC for their broadcast in the Station's time zone, for over-the-air reception only by the general public in places to which no admission is charged and, except as otherwise set forth herein or in Schedule A hereto, no other form of transmission ("First Call Rights"). Each such offer shall set forth the terms of acceptance. Notwithstanding the foregoing:

(i) the First Call Rights granted to your Station hereunder with respect to the Network Television Programs shall relate to the free, over-the-air broadcast only, and shall not extend to, or in any way restrict, any other exploitation by ABC of such Network Television Programs at any time, in any other media anywhere, including Station's community of license; and (ii) ABC shall have the right to authorize any television broadcasting station, regardless of the community to which it is licensed by the FCC, to broadcast any Network presentation of a subject we deem to be of immediate national significance including, but not limited to, a Presidential address. ABC will make itself available upon reasonable notice from Sinclair to discuss any request to permit Station to broadcast a simultaneous transmission of its Primary Channel in order to allow the Station's Network Programs to be received on a free, over-the-air basis by any mobile digital receivers in Station's DMA; provided, whether or not to grant any such request shall be decided by ABC in its sole discretion.

**1. First Call Offer.**

- a. Regularly Scheduled Programs.** You agree that, within fifteen (15) days following its receipt of our offer via the Affiliate Communication Systems ("ACS") (or any replacement system) of a First Call Offer to a regularly scheduled Network Television Program, Station will, subject to its clearance obligations as provided in Section I.C.1 below, advise us of any rejection of the Program by sending an email, letter, or facsimile to Station's affiliate relations representative, whose contact information has already been provided. Without such writings, such offer will be deemed accepted. Acceptance by Station of our First Call Offer shall constitute Station's commitment to broadcast the subject Network Television Program(s) in accordance with the terms of this Agreement and the terms of our offer to Station. Broadcast of the Program during the Network designated time period for Station's time zone is referred to herein as "in pattern". Acceptance of a Program, and its complete in pattern broadcast or broadcast otherwise in accordance with the terms of this Agreement and the First Call Offer, is referred to herein as "to clear" or "clearance" of a Program.
- b. Other Programs.** With respect to any Network Program not regularly scheduled or not part of Station's clearance obligations as provided in Section I.C.1 below, Station will advise us of its acceptance or rejection of our First Call Offer within seventy-two (72) hours (exclusive of Saturdays, Sundays and holidays) after such offer has been received at Station. However, if the first broadcast referred to in our offer is scheduled to occur within less than fifteen (15) days after the date of our offer with respect to regularly scheduled Network Programs or less than seventy-two (72) hours after our offer has been received at Station with respect to Network Programs not regularly scheduled, notification of acceptance or rejection of such offer shall be made as promptly as possible, but in no event after the first broadcast time specified in such offer. A failure to advise us of acceptance or rejection of a Program within the applicable time period will be deemed to be an acceptance of the offered Program.
- c. Program Related Material.** This obligation to clear Programs includes, subject to Section H below, the unaltered carriage and pass through of all content, contained in the Network feed, designed to attract and maintain viewership that

is associated with Network Programs, commercials and promotional advertisements contained in the Network feed for broadcast by you during Network time periods, including all enhanced or interactive Program content and advertisements (including associated uniform (or universal) resource locators, internet addresses and triggering devices) as well as: (i) closed captioning information, (ii) Program identification codes, (iii) broadcast flags and watermarks, (iv) rating information and data, and (v) secondary audio Programming feeds (all of the preceding sentence collectively referred to herein as "Program Related Material").

2. **Network Program Offerings.** The Station will receive First Call Offers with respect to:
  - a. **Network Sponsored Programs.** "Network Sponsored Programs," as used in this Agreement, shall mean those Network Television Programs which contain one or more commercial announcements paid for by or on behalf of one or more ABC Network advertisers. Subject to the clearance obligations and exceptions to those obligations in Section I.C.1, below, Station agrees to broadcast Network Sponsored Programs in their entirety, including but not limited to the Network commercial announcements ordered for your Station, Program Related Material, Network identifications, Program promotional material or credit announcements contained in such Programs which Station accepts, without interruption, modification, technical degradation, deletion or addition of any kind (except for local breaking news or emergency notification crawls). It is also understood that no commercial announcement, promotional announcement or public service announcement will be broadcast by Station during any interval within a Network Program designated by ABC as being for the sole purpose of making a Station identification announcement. Notwithstanding the foregoing, Station may substitute other Network promotional announcements designated by ABC in lieu of promotional material which is inaccurate as it pertains to Station.
  - b. **Network Sustaining, Cooperative and Spot Carrier Programs.**
    - i) We will from time to time offer the Station live or recorded Network Television Programs identified as sustaining Programs, cooperative Programs or spot carrier Programs. You agree to broadcast such Programs, subject to the clearance obligations and exceptions in Section I.C.1, which you accept in their entirety, including all Program Related Material, without interruption, modification, technical degradation, deletion or addition of any kind (except for FCC mandated local breaking news or emergency notification crawls).
    - ii) The Network sustaining Programs which we may offer to the Station may not, without our prior written consent, be sold by the Station for commercial sponsorship or interrupted for commercial announcements or used for any purpose other than sustaining broadcasting.
    - iii) The Station may carry the cooperative or spot carrier Programs on the same basis as regular sustaining Programs or you may offer them for commercial

sponsorship on terms and conditions specified by us at the time such Programs are offered to you.

**C. Program Clearance.**

1. **Clearance Obligations.** With respect to the existing Network television service, and subject only to the clearance exceptions expressly set forth in this Section I.C.1 and I.C.1(a), including: i) preemptions based upon the Station's Right To Reject set forth in FCC Rules as referenced in Section V.C., below ("Right to Reject Rule"); ii) failure to broadcast ABC programs due to force majeure events (defined in Section V.E, below); and iii) preemptions necessitated by the broadcast of those Programs listed on Schedule B (or similar programs of similar local importance within the same program category [i.e., charitable functions, local and regional sports]), Station shall clear in-pattern all ABC Programs including Program Related Material in all time periods currently scheduled by the Network during the 2008/2009 television season for so long as ABC continues to program those time periods. ABC acknowledges that Station may preempt Network Programs in order to broadcast the specific local Programs listed in Schedule B (or similar programs of similar local importance within the same program category [i.e., charitable functions, local and regional sports]), with Station to make good faith efforts to broadcast acceptable Makegoods of any preempted Network Programs. The parties agree to negotiate in good faith for the clearance of any Programs that may be offered generally to ABC affiliates in time periods that are not currently programmed by Network. The clearance exceptions provided for in this Section I.C.1 are "Authorized Preemptions." The parties agree to the following clearance exceptions:

(a) Station will not be required to air *GMA* in its live time period Sundays at 8:00am ET prior to September, 2010.

2. **Preemptions.** Station may preempt Network Programs pursuant to the Authorized Preemptions. No other preemptions are authorized. A preemption of less than thirty (30) minutes will be considered as a preemption of the entire half hour. Notice of preemptions, including those pursuant to the Right to Reject, shall be made in compliance with Section D.1, below. The acceptance by Network of any offer by Station to broadcast the preempted Program at another date or time ("Makegoods") shall be at Network's sole discretion.
- a. **Preemption Reimbursement.** For any preemption of a Network Program supplied pursuant to this Agreement other than Authorized Preemptions, Station will promptly reimburse Network, within thirty (30) days of invoice, an amount equal to the product of: (i) the number of half hour preemptions; (ii) fifty percent (50%) of the Station's Hourly Network Reimbursement Rate (as set forth below); and (iii) the appropriate Reimbursement Matrix percentage set forth below.



## Preemption Reimbursement Matrix

Prime	
Daytime (including weekends)	
GMA	
Other News Programming	
WNT	
Latenight (non-news)	
Kids	
Weekend Sports	

## Hourly Network Reimbursement Rate:

Asheville, NC

- b. **Reimbursement Adjustments.** Commencing with calendar year 2011 and continuing throughout the remainder of the Term, the Hourly Network Reimbursement Rates shall be adjusted on an annual basis by an amount equal to the product of the immediately preceding year's Hourly Network Reimbursement Rate multiplied by the percentage change in total Network sales revenue (as published by SNL Kagan or another mutually agreed industry source).
- c. **Makegood Adjustments.** Subject to the Right to Reject Rule and with ABC's prior consent, Station shall make a good faith offer to broadcast a Makegood of the preempted Program. If the proposed Makegood is approved by ABC, such approval not to be unreasonably withheld, the preemption reimbursement payment to ABC will be reduced by the value of the Makegood as reasonably determined by ABC.
- D. **Failure to Clear Programs.**
1. **Notice.** With respect to Programs already accepted pursuant to the First Call Offer in Section I.B.1, Station shall give us prompt notice of any refusal to broadcast the Program(s), rejection of the Program(s) or substitution of different Program(s) no later than fourteen (14) days prior to the air date of such Programming, except where the nature of the substitute Program or other cause for preemption under the Right to Reject Rule makes such notice impracticable (e.g., coverage of breaking news or other unscheduled events), in which case Station agrees to give us as much notice as is reasonable under the circumstances. Such notice shall include a statement of the reason(s) Station believes that a rejected or refused Network Program is unsatisfactory, unsuitable or contrary to the public interest, and/or the reason why a substituted Program is of greater local or national importance.
  2. **First Call Termination - Unauthorized Preemptions.** In addition to all other

remedies, we shall have the right, upon thirty (30) days' notice, to terminate Station's First Call Rights on any individual Program or series of Network Programs already accepted hereunder and withdraw all future episodes of that Program or series of Programs if one or more individual Program episode(s) is pre-empted partially or in its entirety by you for any reason other than (a) Authorized Preemptions or (b) a preemption for which Makegoods are offered by the Station and approved by ABC, such approval not to be unreasonably withheld.

3. **First Call Termination - Multiple Preemptions.** Except for preemptions caused by unscheduled local news or emergency alerts, we shall also have the right, upon thirty (30) days' notice, to terminate Station's First Call Rights concerning any Program or series of Network Programs already accepted hereunder and to withdraw all remaining episodes of that series for the rest of the then-current broadcast television season if Station fails to clear in pattern three (3) or more individual Program episodes or if the Program is otherwise pre-empted partially or in its entirety by Station three (3) or more times during any consecutive thirteen (13) week period for any reason other than a sustained force majeure event, whether or not such preemptions are for the reasons set forth in Section V.C. However, First Call Rights will not be withdrawn if Station elects to make a good faith offer of a Makegood for the preempted Program(s), with ABC's consent to such offer not to be unreasonably withheld.
4. **First Call - Future Rights.** Subject to the Right to Reject Rule, we reserve the right not to offer Station First Call Rights for the current and subsequent broadcast seasons on any Network Program or series of Network Programs as to which we have terminated Station's First Call Rights. Network may also refuse to offer Station First Call Rights for the current and subsequent seasons of a Network Program or series of Network Programs if Station has refused or failed to accept or to clear that Program or series of Programs.
5. **Agreement Termination.** A failure to accept a Program or series of Programs pursuant to the clearance obligations set forth in Section I.C.1, above, or failing to broadcast said Program or series in accordance with the Agreement after acceptance, shall constitute a failure to clear the Program. In addition to the measures outlined in Sections D.1-4, above, if Station fails at any time to comply with the Program clearance requirement set forth in Section I.C.1, above (subject to the Right to Reject, force majeure events and preemptions authorized in Schedule B (or similar replacement programs of similar local importance within the same program category i.e., charitable functions, local and regional sports)), and we give you written notice of such failure, Station shall have fourteen (14) days following receipt of such notice, as required by Section V.N, below, for the first such failure to return to complying fully with the clearance requirements and to broadcast, if requested by Network, an acceptable Makegood of the affected Program. The cure period will be reduced to seven (7) days for any notices for the next and any subsequent failures to clear. Only one such notice will be given for any specific failure to clear. If by the end of such period, Station fails to return to complying fully with such obligations, we shall have the right, in our sole

discretion, to terminate this Agreement upon one hundred twenty (120) days written notice.

**E. Local News and NewsOne:**

1. Station agrees to broadcast locally produced news Programs of at least one-half hour each leading into Monday through Friday broadcasts of: (a) ABC's morning news Program, (b) ABC's evening news Program, and, (c) ABC's late night Programming. A failure to satisfy this requirement may, at ABC's option, result in a termination of this Agreement after notice and an opportunity to cure as provided in Section V.P below.
2. Station will fully participate in ABC NewsOne or any successor affiliate newsgathering service pursuant to the current NewsOne agreement between the parties. If at any time during the term of the Affiliation Agreement ABC and the ABC Affiliates Association reach agreement on the terms and conditions of a replacement NewsOne Agreement, Station may elect to opt into the replacement ABC Affiliates Association-approved Agreement. The parties hereby agree that notwithstanding anything herein or in the current NewsOne agreement between the parties to the contrary, the NewsOne subscription fees currently payable by the Station for the basic NewsOne service shall be waived retroactive to January 1, 2010. Any special or premium NewsOne services ordered by Station will remain payable and will be billed separately, however, any services in excess of [REDACTED] will require written approval by the Station in advance of fulfilling any such orders.

**F. Promotion and Branding:**

1. **Baseline Promotion Plan.** Station will continue to participate in the Baseline Promotion Plan ("BPP"). Station will provide [REDACTED] local commercial spots per day (positions and lengths illustrated below) for promotion of Network Programming. Network shall designate the use of such spots. An illustrative initial designation of Network priorities is included below.

ABC Baseline Promotion Weekday Schedule:

Monday-Friday (ET)

5-7am:	[REDACTED] supporting GMA [REDACTED] supporting Prime
9am-4pm:	[REDACTED] supporting Daytime/Prime [REDACTED] supporting Prime
4-7pm:	[REDACTED] supporting News [REDACTED] supporting Prime
Access:	[REDACTED] supporting Prime
11pm:	[REDACTED] supporting Late night

Saturday/Sunday (ET)

9am-7pm:

(9am-6pm – Sun)

supporting Prime

supporting News

Access:

supporting Prime

2. **Network Availabilities.** In return for complete participation in the BPP, Station will have access to [REDACTED] additional thirty-second (:30) Primetime spots per week, as well as the Network's authorization to convert [REDACTED] current thirty-second (:30) local news brief opportunities in Primetime to local sale ("BPP Incentive Inventory").
3. **Branding.** Station agrees to co-brand with the ABC logo as a prominent element in those areas noted in the letter dated February 25, 2010, consistent with Network creative guidelines and specifications. Station will add the ABC logo element to Station's local identification as well as consider in good faith requests by ABC to revise: (1) the co-logos as noted in the February 25, 2010 letter when the Station makes its next update to its on-air graphic package and its website; and (2) off-air materials when the Station re-supplies its print, signage or other similar materials.

**G. Program Delivery.** By means satisfactory to us, we will arrange, at our own expense, for Programs to be made available to Station via satellite or other delivery platform or method. We may require that Station purchase the Network approved reception devices, hardware and software, necessary to receive ABC Network Programs for broadcast under this Agreement in accordance with Network's then-current Network-signal reception equipment standards, which standards will be reasonable and consistent with those applicable to Network affiliates generally within each applicable time zone.

**H. Digital Program Transmission.**

1. **Broadcast Standards & MBPS Usage.** Station agrees to transmit on its Primary Channel the Primary Digital Feed of all Network Programs, including HDTV programs and including Program Related Material, in a technical format consistent with ATSC standards (but using the HDTV format chosen by Sinclair), without alteration, modification, insertion, degradation or down conversion of any type. However, Station may use proven compression technology that allows it to reduce the amount of MBPS otherwise needed to broadcast the complete Primary Digital Feed and Program Related Material, while otherwise maintaining the Broadcast Standards and maintaining the functionality of Program Related Material, if the compression does not noticeably reduce the audio or picture quality. Stations need not devote more than [REDACTED] to the broadcast of Program Related Material. The parties will negotiate in good faith regarding any request that more than [REDACTED] be devoted to Program Related Material, and will also negotiate in good faith regarding alternative delivery methods for any elements of the Program Related Material that may need to be deleted by Station to stay within the [REDACTED] limit. Program Related Material must be designed to be

received by the Station and transmitted during Network time periods (i.e. it cannot require storage at Station level or broadcast during local time periods without Station's consent). In addition, Station will have the first call to (but is not obligated to clear), in accordance with this Agreement and the First Call Offer, the over-the-air broadcast of any additional channels of broadcast television programming contained in the Network's digital feed that is offered to other non-owned broadcast television affiliates. In the event that Station declines or is unable to accept the First Call Offer for an additional channel or program for any reason, ABC shall be free to distribute that channel or program in Station's community of license by any available means and without being limited by the terms of this or any other agreement.

2. **Residual Digital Spectrum.** Station agrees not to make any use of its digital spectrum that would interfere with its obligations under the Affiliation Agreement. Stations shall have the absolute and unconditional right to use any digital broadcast spectrum that is not needed for that purpose.

- I. **Commercial Inventory.** Station will have a Guaranteed Primetime Inventory Level (as hereinafter defined) but in no event will ABC provide less commercial inventory to Station on the same terms and conditions as compared to such inventory made generally available to non-ABC owned affiliates (except for reductions, consistently applied to all ABC affiliates, as a result of Station's failure to clear any ABC program in-pattern). Subject to adjustment as described below, the Guaranteed Primetime Inventory Level shall be defined as an average of [REDACTED] per week of Primetime Inventory to be offered for the Term at substantially the same times and durations as in the 2009-2010 television season. The inventory levels are based on: (a) full in-pattern clearance of the Network schedule (subject to exceptions set forth herein); (b) the amount of Network Primetime and other daypart Programming scheduled as of the date of this Agreement; and (c) the live clearance of Nightline and JKL. The number of units comprising the Guaranteed Primetime Inventory Level shall be subject to adjustment for: (a) the number of local units in Network Programming that is not cleared by the Station; (b) the number of local units that are lost as a result of sustaining Programming, or special event Programming, run by the Network in lieu of Network Programming that would otherwise bear a more traditional commercial load; (c) the number of local units lost as result of a reduction in the amount of Network Programming that formed the basis for the inventory calculation above; and (d) failure to clear or the cancellation of Nightline (decrease of [REDACTED] thirty-second primetime incentive units per week) or JKL. In the event that ABC does not offer the Station its Guaranteed Primetime Inventory Level, ABC shall make the Station whole for the then economic value to the Station of any shortfall by, at ABC's option: (a) providing other local commercial availabilities of such value; or (b) adjusting the Station's license fee by that amount; or (c) a combination of (a) and (b) that would make Station whole.

## II. TERM

This Agreement shall be effective from January 1, 2010 (the "Effective Date") and continue through and including August 31, 2015 (the "Term").



### **III. NETWORK NON-DUPPLICATION PROTECTION/CABLE RETRANSMISSION**

**A. Non-Duplication.** Station shall be entitled to assert Network non-duplication protection against MVPD carriage of other television Stations' digital broadcast of Network Programs, to the extent set out by Section 76.92 of the FCC rules and as follows:

1. The geographic zone of Network non-duplication protection shall be the Designated Market Area ("DMA") (as defined by Nielsen) in which Station is located, or any lesser zone pursuant to any geographic restrictions contained in the FCC rules and regulations, now or as subsequently modified.
2. Network non-duplication protection shall extend only to all Network Programs that Station clears in accordance with this Agreement. Protection shall not extend to individually pre-empted Programs of an otherwise cleared series or Programs that Station fails to clear.
3. Network non-duplication protection for Network Programs that Station clears in accordance with this Agreement shall be effective only during the live time period designated by Network for broadcast of the Program in Station's local time zone.
4. You are under no obligation to exercise in whole or in part the Network non-duplication rights granted under this Agreement.

**B. License Fees and Cable Retransmission.** Station shall pay to ABC certain license fees, and be authorized to grant retransmission consent for the Network Television Programs as broadcast on the Primary Channel 13.1, as those terms are defined in Schedule A, attached hereto and incorporated as though fully set forth herein. Subject to the terms of Schedule A, you are authorized to grant retransmission consent, pursuant to FCC Rule 76, to cable systems (and other MVPD's) located within your DMA and areas where your station is "significantly viewed" as defined by FCC Rule 76.

### **IV. CUT-IN ANNOUNCEMENTS**

**A. Cut-In Announcements.** "Cut-in announcements," as used herein, shall mean the substitution of a special commercial or promotional announcement in place of a regularly scheduled Network commercial.

1. Upon at least twenty-four (24) hours' notice, you shall, at our request, utilize such personnel and equipment as may be necessary to: (a) broadcast cut-in announcements from Station alone, or (b) originate from Station cut-in announcements to one or more other stations, without regard to whether or not Station is requested to broadcast said cut-in announcement(s). Notwithstanding anything herein to the contrary, you may refuse to broadcast any such cut-in announcement in the community to which Station is licensed by the FCC if, in your opinion, it does not serve in the public interest, convenience or necessity, but you shall nevertheless utilize such personnel and equipment as may be necessary to originate such cut-in announcement(s) from Station to one or more other Network-affiliated stations.

2. Cut-in announcements shall be broadcast only when authorized by us and then only in accordance with the instructions furnished to you. You will be supplied, as promptly as possible, with the material and instructions for these announcements.
3. ABC may cancel any order for cut in announcements without liability on our part provided we do so upon not less than twenty-four (24) hours' notice to you, failing which, we will pay you the same compensation you would have received if the announcement(s) had continued as scheduled for twenty-four (24) hours following receipt by you of such notice of cancellation.
4. For each Program during which such cut-in announcements are included, if we have requested your assistance your Station will receive [REDACTED] hereto, unless the cut-in involves the substitution of Station's local commercial, in which case no compensation or reimbursement will be paid to the Station.

**B. Local Tag Services.** A "Local Tag Announcement," as used herein, shall mean a visual commercial announcement, made by you on behalf of a local dealer of a Network advertiser, which announcement shall not exceed ten (10) seconds within a one-minute Network commercial announcement or five (5) seconds within a thirty-second (:30) Network commercial announcement. You shall project each Local Tag Announcement by means of not more than two (2) slides.

1. Upon at least twenty-four (24) hours' notice, you shall, at our request, utilize personnel and equipment as may be necessary to broadcast Local Tag Announcements.
2. Local Tag Announcements shall be broadcast in accordance with our instructions. The Network advertiser shall supply to you or purchase from you, as promptly as possible, the slide(s) for each Local Tag Announcement. Local Tag Announcements shall not be accompanied by oral announcements unless: (i) directly requested of you by the Network advertiser; and (ii) the Network advertiser has assumed sole responsibility for payment of such oral announcements.
3. ABC may cancel any order for local tag announcements without liability on our part provided we do so upon not less than twenty-four (24) hours' notice to you, failing which, we will pay you the same compensation you would have received if the announcement(s) had continued as scheduled for twenty-four (24) hours following receipt by you of such notice of cancellation.
4. For each Program during which Local Tag Announcements are included, station will receive [REDACTED] hereto.

## V. GENERAL

A. Program Substitution. We may at any time, upon notice to Station, substitute for any scheduled Network Program another Network Program, except that if such other Network Program in our judgment involves a special event of public interest or importance, no such notice is required.

B. Program Cancellation. Nothing contained in this Agreement shall prevent or hinder us, nor shall it be construed to prevent or hinder us, at any time upon notice to Station as soon as practicable, from canceling one or more Network Programs, whether sponsored or sustaining, or from cancelling any particular block of Network Programming.

C. Right to Reject. With respect to Network Programs offered or already accepted pursuant to this Agreement, nothing herein contained shall be construed to prevent or hinder Station from exercising its rights under FCC rules to:

1. Reject or refuse Network Programs which Station reasonably believe to be unsatisfactory, unsuitable or contrary to the public interest; or
2. Substitute a Program, which in Station's good faith opinion, is of greater local or national importance.

D. Carriage Reports. Station will submit to us in writing, upon forms provided by us for that purpose, such reports covering Network Programs broadcast by Station as ABC may reasonably request from time to time. To verify your carriage of Network commercial announcements, identifications and Program promotional material as well as verifying Station's compliance with Network's Program bookings and formats, we may require delivery by Station, within five (5) days following our request, copies of your official Station logs, air checks or broadcast tapes, and, if more than two (2) station reports are materially incorrect, then we may install at Station, monitoring equipment and attendant software at our expense that monitors your Station's broadcast signal so long as there is no interference with Station's operations.

E. Force Majeure. Neither Station nor we shall incur any liability hereunder because of our failure to deliver, or Station's failure to broadcast, any or all Network Programs, including Program Related Material, due to:

1. Failure of facilities;
2. Labor disputes; or
3. Causes beyond the control of the party so failing to deliver or broadcast.

F. Transmitter Modifications. Station agrees to notify us of any application made to the FCC to modify Station's transmitter location, power, frequency or hours of operation within ten (10) days following the filing of such application. In the event that the transmitter location, power, frequency or hours of operation of Station are changed at any time so that Station is of substantially less value to us as a Network outlet than it is as of the effective date of this Agreement including, but not limited to, as a result of additional overlap of Station's broadcast

signal with that of another ABC affiliate, we will have the right to terminate this Agreement upon thirty (30) days' advance written notice.

**G. Time Brokerage/LMAs.** Except upon our prior written consent upon no less than thirty (30) days' advance written notice from Station, which consent may not be unreasonably withheld, you agree that Station will not enter into any local marketing or time brokerage agreement whereby another party or entity programs the Station, provided that this paragraph shall not apply to any such agreement between you and (a) Cunningham Communications or (b) Sinclair Broadcast Group, Inc. or any of its wholly - owned (directly or indirectly) subsidiaries. We agree that ABC shall not withhold its consent to a local marketing or time brokerage agreement covered by this section VI (G) except upon ABC's good faith judgment that your station would not be operated under such an agreement in a manner typical of ABC primary affiliated stations generally with respect to its local programming and competitive practices. If you or Station enters into such an agreement without our written consent, we shall have the right to terminate this Agreement upon fourteen (14) days' advance written notice.

**H. Assignment.**

1. This affiliation agreement cannot be assigned or transferred without timely written notice to ABC and (except for FCC short-form assignments with respect to which ABC's consent is not required) without the consent of ABC, which consent may be withheld only: (a) if the assignee or transferee controls or is controlled by or is under common control with an entity that distributes 10 or more hours of primetime television programming per week to at least 25 affiliated television licensees in 10 or more states; (b) if the assignee or transferee is not reasonably qualified to own and operate the station(s); or (c) on the basis of reasonable business concerns that arise from prior commercial dealings of ABC with the assignee or transferee; provided, however, ABC shall not unreasonably withhold its consent to an assignment or transfer in the case of (b) or (c). You shall provide written notice by mail or facsimile to ABC within thirty (30) days following the earlier of the execution of a binding agreement to assign or transfer control of the Station's broadcast license, or the filing of an application to the FCC to approve a transfer of control, which notice shall include the name of the proposed assignee or transferee. ABC shall have the unilateral right to terminate the Affiliation Agreement if you fail to provide notice of an assignment, transfer or application as provided in this Section.
2. Unless we exercise our right to withhold our consent, the affiliation as per this Agreement shall be binding on any assignee or transferee of your station's license, and you agree that you shall not consummate such assignment or transfer of control of your station's license until you have delivered to us, in form as may reasonably be requested by us, the acknowledgement of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of your Station's license, the assignee or transferee will assume and perform the affiliation agreement per this Agreement in its entirety without any limitation.

3. ABC may assign this affiliation per this Agreement to any party acquiring all or any material portion of its network television business or to any entity controlling, controlled by, or under common control with ABC.

I. **Limited Transmission Rights.** Your and Station's rights to broadcast ABC's Network Television Programs and to limited use of ABC's trademarks and trade names under the terms and conditions of this Agreement are limited to the First Call Rights to broadcast Network Television Programs pursuant to the terms hereof. Except with our prior written consent and except upon such terms and conditions as we may impose, you agree not to authorize, cause, permit or enable the use of any Program which we supply to you hereunder for any purpose other than broadcasting by Station pursuant to the terms hereof, in the community in which Station is licensed by the FCC, for over-the-air reception by the general public in places to which no admission is charged. You agree when you are authorized to record a Program for subsequent broadcast that the recording will be broadcast not more than once in its entirety and, unless otherwise required by law, will be erased or deleted from your system within six (6) hours following use. All rights not specifically granted to you by this Agreement shall be retained and fully exploitable by Network.

J. **Rebroadcast/Recording Restrictions.** Except with our prior written consent (or as provided in the Retransmission Consent Authorization section in Schedule A; below) and upon such terms and conditions as we may impose, which consent may be withheld for any reason, you and Station agree not to authorize, cause, permit or enable: (1) any recording on film, tape or otherwise to be made or broadcast of a Program which has been, or is being, broadcast on the Network; or (2) a rebroadcast or a retransmission to be made of the broadcast transmission of Station during any hours when Station is broadcasting a Program provided by Network.

K. **Promotion Restrictions.** With respect to any and all promotional material issued by Station or under your direction or control, you agree to abide by any and all restrictions of which we advise you pertaining to the promotion of a Network Program(s) scheduled to be broadcast by Station in its community, including, without limitation, on-the-air promotion, billboards, and newspaper or other printed advertisements, announcements or promotions.

L. **License Maintenance.** You agree to maintain for Station such licenses, including performing rights licenses as now are or hereafter may be in general use by television broadcasting stations and necessary for you to broadcast the Television Programs which we furnish to you hereunder. Network will continue to clear all music used in our Network Programs, thereby licensing the broadcasting of such music in such Programs over Station. You will be responsible for all music license requirements for any commercial or other material inserted by you within or adjacent to our Network Programs in accordance with this Agreement.

M. **Entire Agreement; Inducements; Waiver.** No inducements, representations or warranties except as specifically set forth herein have been made by any of the parties to this Agreement. This Agreement replaces any prior drafts and this Agreement supersedes any negotiations or discussions regarding the affiliation of WLOS with ABC. This Agreement constitutes the entire agreement and understanding between the parties hereto and no provision thereof shall be changed or modified, nor shall this Agreement be discharged in whole



or in part, except by an agreement in writing, signed by the party against whom the change, modification or discharge is claimed or sought to be enforced; nor shall any waiver of any of the conditions or provisions of this Agreement be effective and binding unless such waiver shall be in writing and signed by the party against whom the waiver is asserted, and no waiver of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or of any other provision.

**N. Notices:** All notices, demands, requests or other communications which may be or are required to be given or made by ABC or you pursuant to this Agreement (except for our Program offers and your notices of acceptance or rejection, if required, of such offers and any other Program information or Program administration communications) shall be delivered (postage or fee prepaid) by first-class mail, express mail, express delivery service or by facsimile transmission addressed as follows:

1. If to you:

Sinclair Communications, LLC  
10706 Beaver Dam Road  
Hunt Valley, MD 21030

Attention: President

Phone: (410) 568-1500 Fax: (410) 568-1533

with a copy (which shall not constitute notice) to:

Mr. Barry Faber  
EVP, General Counsel  
Sinclair Broadcast Group, Inc.  
10706 Beaver Dam Road  
Hunt Valley, MD 21030

Phone: (410) 568-1524

Fax: (410) 568-1537

2. If to ABC:

John Rouse  
Senior Vice President  
Affiliate Relations  
ABC Television Network  
500 South Buena Vista St.  
Burbank, CA 91521-4408

Phone: 818-460-7550

Fax: 818-460-5132

with a copy (which shall not constitute notice) to:

Glen Smith, Esq.

Vice President  
ABC, Inc.  
Law & Regulation Department  
500 South Buena Vista Street  
Burbank, CA 91521-4487

Phone: 818-460-6304 Fax: 818-843-1655

or to such other person, address or facsimile number as you or ABC may designate by written notice. Any notice under this Agreement shall be deemed duly received: (i) on the first business day following the date such notice was deposited with express mail or an express delivery service; (ii) on the third business day following the date of mailing whether or not accepted by the addressee; or (iii) at the time of facsimile transmission with a confirmation of receipt, as the case may be.

**O. Choice of Law.** Except for such matters as may be governed by the Communications Act of 1934, as amended, and FCC regulations and rulings, this Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of action), shall be governed by and construed in accordance with the laws of the State of New York, without regard to the principles of conflict-of-laws thereof. For the purposes of any suit, action or proceeding involving this Agreement or its performance, and unless such matter is subject to the primary jurisdiction of the FCC, each party hereby submits to the jurisdiction of all Federal and State courts sitting in the County of New York and agree that such courts shall have exclusive jurisdiction over any suit, action or proceeding involving this Agreement or its performance.

**P. Right to Terminate; Termination Effect.** If you fail to make timely payments, attempt to assign your rights under this Agreement in violation of Section V.H, or otherwise violate the terms of this Agreement and/or any amendments, we will give you [REDACTED] of written notice and opportunity to cure the default. If the default is not cured within that period, we have the right to terminate this Agreement on [REDACTED] notice. This notice and cure period will apply unless a different notice or cure period is applicable under a specific provision of this Agreement. Upon termination of this Agreement, the consent theretofore granted to broadcast our Network Programs or use ABC logos, trademarks or trade names shall be deemed immediately withdrawn and you shall have no further rights of any nature whatsoever in such Programs, logos, trademarks or trade names.

**Q. Indemnification.** You and Station agree to indemnify and hold Network and its parent corporation, subsidiaries, and affiliates (excluding non-owned broadcast affiliates) and their respective officers, directors, agents and employees, successors and assigns harmless from and against any and all third-party claims made against us and all damages, liabilities, costs and expenses incurred as a result of such claims, including reasonable attorney's fees, arising out of (a) the broadcast by Network of any material supplied by you to Network in accordance with this Agreement, (b) Station's broadcast of any material not provided by Network to you in accordance with this Agreement, and/or (c) any actual or alleged breach by you or Station of any of your or Station's representations, warranties, agreements, covenants or obligations herein. We agree to indemnify and hold you harmless from and against any and all third-party claims made against you and all damages, liabilities, costs and expenses incurred as

a result of such claims, including reasonable attorney's fees, arising out of (a) the broadcast by you of any material provided by Network to you in accordance with this Agreement, and/or (b) any actual or alleged breach by us of any of our representations, warranties, agreements, covenants or obligations herein. It is understood that the foregoing indemnities shall apply only with respect to materials that are broadcast without change from the form and content in which such materials were originally provided and in strict conformance to any instructions or limitations given by the party providing the material. A party seeking indemnification ("Indemnitee") shall give the indemnifying party ("Indemnitor") prompt written notice of any claim or litigation to which its indemnity applies. The Indemnitor shall promptly assume the defense of any claim or litigation to which its indemnity applies, and the Indemnitee shall cooperate fully with the Indemnitor in such defense, as necessary, provided, however, that the Indemnitee shall not be precluded from retaining separate counsel, at its own expense, to participate in the defense of any such claim or litigation. Without limiting the foregoing, if the Indemnitor fails or refuses to assume the defense of any claim, action, or cause of action to which its indemnity applies (whether or not a suit has been formally brought), it shall be responsible for payment of any settlement of any such claim, action or cause of action reached by the Indemnitee, as well as the costs and expenses (including reasonable attorneys' fees) incurred by the Indemnitee in defending such claim, action or cause of action and/or in reaching such settlement. The provisions of this paragraph V.R shall survive the expiration or earlier termination of this Agreement.

**R. No Joint Venture.** Nothing in this Agreement shall create any partnership, association, joint venture, fiduciary or agency relationship between Network and you or Station.

S. Headings. The headings herein are for convenience purposes only and shall not create or modify the meanings of any term or provision of this Agreement.

If, after examination, you find that the arrangement herein proposed is satisfactory to you; please indicate your acceptance by signing the copy of this Agreement enclosed for that purpose and returning such executed copy to us.

Very sincerely yours,

AMERICAN BROADCASTING COMPANIES, INC.

By:

Accepted this 6<sup>th</sup> day of

June, 2012

Licensee: Sinclair Communications, LLC

By:

Name: David B. Army

Title: EvP/CFO

**SCHEDULE A**

I. **LICENSE FEES.** In return for the license of Network Programming to Station and the other rights granted to Station by ABC, Station shall pay a license fee with two components.

A. **Monthly Fees.** The first component is a fixed monthly fee according to the License Fee Schedule below (the "Monthly Fee"). The Monthly Fee is payable on the first business day on or after the fifteenth day of each month throughout the Term and is equal to one-twelfth (one-eighth in the case of Year 6) of the amount set forth in the Schedule below for the year of the Term in which such month occurs. Notwithstanding anything herein to the contrary, upon written notice from Sinclair, the parties will negotiate in good faith regarding an appropriate reduction, if any, in the license fees required to be paid hereunder in the event that

[REDACTED]

Such notice cannot be given until a retransmission consent agreement between Sinclair and an MVPD has lapsed following the government action. In the event the parties are not able to reach agreement as a result of such negotiations within thirty (30) days of Sinclair's notice, then the parties will participate in the mediation process described in Section IV below.

**LICENSE FEE SCHEDULE**

<u>Effective Dates</u>	<u>Annual Payments</u>
Year 1 1/1/10 to 12/31/10	[REDACTED]
Year 2 1/1/11 to 12/31/11	[REDACTED]
Year 3 1/1/12 to 12/31/12	[REDACTED]
Year 4 1/1/13 to 12/31/13	[REDACTED]
Year 5 1/1/14 to 12/31/14	[REDACTED]
Year 6 1/1/15 to 8/31/15	[REDACTED]

B. **Retrans Value.** Commencing with the month of April in 2012, the second component is payable by Station annually, and shall equal the excess, if any, by which the amount of the Retrans Value (as defined below) attributable to Station with respect to each annual period (with the exception of the 3<sup>rd</sup> year, which shall be based on the last nine months of the year, and the 6<sup>th</sup> year, which shall be based on the first eight months of the year) beginning on or after January 1, 2012 throughout the Term exceeds the aggregate of the Monthly Fees paid by Station to ABC during such annual period. Station will pay such excess, if any, to ABC within forty-five (45) days of the end of each such annual period and such payment shall be accompanied by a written, signed certification by your chief financial officer in a form acceptable to ABC setting forth the documentation and calculation of such Retrans Value. For avoidance of any doubt, the second component in 2012 shall be determined by comparing the Retrans Value and the Monthly Fees attributable to the period April 1, 2012 through December 31, 2012 and the second component in 2015 shall be determined by comparing the Retrans



Value and the Monthly Fees attributable to the period January 1, 2015 through August 31, 2015. Notwithstanding anything herein to the contrary, as long as Sinclair is operating all of the Stations included in the March 25, 2010 Term Sheet, the comparison of the Retrans Value and the Monthly Fees shall be determined on a combined, aggregate basis for all the Stations.

1. Calculation.

- a). "Retrans Value" as to a given MVPD is defined as [REDACTED] of both: (i) subscriber fees and (ii) any other measurable form of consideration, other than subscriber fees, attributable to Station from the MVPD (including any entities related to, controlled by or under the common control with the MVPD), in exchange for the grant of retransmission consent of its Primary Channel 13.1 to the extent it includes the Network Television.
- b). For clarity, Retrans Value includes, but is not limited, to: 1) guaranteed advertising buys (net of commissions) on Station from MVPDs; 2) fast-forward-disabled local and Network (with ABC's prior written consent) programming on VOD and DVR platforms; 3) local advertising spot inserts on VOD; 4) carriage of Station's multicast digital channels or any pay channels owned or controlled by any affiliated entity of Station; or any other value attributable to Station from the MVPD (as defined above) in consideration of its grant of retransmission consent that includes or is related to Station's carriage of its Primary Channel. Without limiting the generality of the foregoing sentence, the consideration described in this Section I.B.1(b) shall be included in Retrans Value regardless of whether such consideration is received by Station, Sinclair, affiliated and/or related entities, including entities under the control of or under common control with Station and/or Sinclair.
- c). In no event will Station's Retrans Value with respect to any MVPD be less than: (i) the amount Station, or any related company, announces publicly or in any public filing as the amount of such Retrans Value it will receive from such MVPD as consideration for its retransmission consent with respect to the Station; or (ii) the Clearinghouse Rate (as defined in Section II, below) for that MVPD, in the event that Station has opted out of entering into an agreement with such MVPD for that rate, as set forth in Section II, below. Retrans Value from any MVPD shall be fairly allocated to Station from among affiliated stations if such Retrans Value was negotiated with such MVPD at a station-group level or in conjunction with other stations that are not owned by Sinclair.

Notwithstanding anything herein to the contrary, the provisions of clause (ii) of this subparagraph c shall apply with respect to a particular MVPD only if that MVPD has offered to pay the Clearinghouse Rate to the Station without any material and adverse conditions (other than conditions to which the Station is already subject) attached to such MVPD's offer to retransmit the Primary Channel of the Station in its respective DMA.

- d). Notwithstanding anything herein to the contrary, during the Term, beginning April 1, 2012, the amount of Retrans Value payable to ABC shall be: (i) [REDACTED]

Notwithstanding anything herein to the contrary, beginning April 1, 2012, any Retrans Value associated with: (i) guaranteed advertising buys is defined as any value derived upon execution and placement of the guaranteed advertising buy that [REDACTED] (ii) local VOD and DVR rights is defined as any value derived by the Station [REDACTED] and (iii) the value attributed to a multicast channel (A) shall be deemed to be [REDACTED]

income (excluding overhead) and (B) shall include an appropriate allocation of such value to the inclusion in the applicable retransmission consent agreement of stations other than the Station. If, during the Escalation process described below, ABC and Sinclair are unable to agree on fair market value for the guaranteed advertising buys described in (i), then Spot Quotation and Data Inc. ("SQAD") data will be evidence of appropriate market rates. In event SQAD data is not available, and for determining the value of the rights in (ii), fair market value will be calculated taking into account a mutually agreed upon industry source.

2. **Escalation.** In the event that ABC has reasonable and good faith grounds to dispute the Retrans Value set forth in the certification described above, senior executives of each of the parties shall commence good faith negotiations to resolve the dispute. If these negotiations do not resolve the dispute within sixty (60) days, then ABC may initiate the mediation process set forth in Section IV, below.

3. **Fee Reduction.** In the event that ABC vacates one or more of the Network time periods that comprise Station's live in-pattern clearance requirement, and returns that time period to Station for replacement programming (as such replacement programming is determined by Station), then the Monthly Fee shall be proportionately reduced in accordance with the formula stated below commencing with the month that follows the return of the time period to Station. For dayparts represented in the below schedule that are expressed in whole hours, the reduction will be calculated on a pro rata basis for any schedule reductions that are less than a full hour of programming.



maximum permitted by law. Acceptance of any payment by us after its due date shall not constitute a waiver by us of any of our rights hereunder. We may also, at our sole option, declare you and Station to be in material breach of this Agreement for non-payment at any time after thirty (30) days following the due date and written notice thereof to Sinclair's President and General Counsel unless such non-payment is cured within such thirty (30) day period.

**IV. MEDIATION OF DISPUTES.** Except as provided herein, no civil action with respect to any dispute, claim or controversy arising out of or relating to the calculation or payment of the Retrans Value may be commenced until the matter has been submitted by ABC or Sinclair to JAMS for mediation in New York, New York. ABC may commence mediation by providing to JAMS and Station a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will reasonably cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Either party may seek equitable relief prior to the mediation to preserve the status quo pending the completion of that process. Except for such an action to obtain equitable relief, neither party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, or forty-five (45) days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the parties so desire. The provisions of this Clause may be enforced by any Court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the party against whom enforcement is ordered. This paragraph IV. shall not apply to any other topic or issue governed by this Affiliation Agreement.

SCHEDULE B

WLOS

Approved  
Half-Hours

ACC Basketball Games

ACC Football Games

Local College Football/Basketball